

# Energy Cooperative Development Program

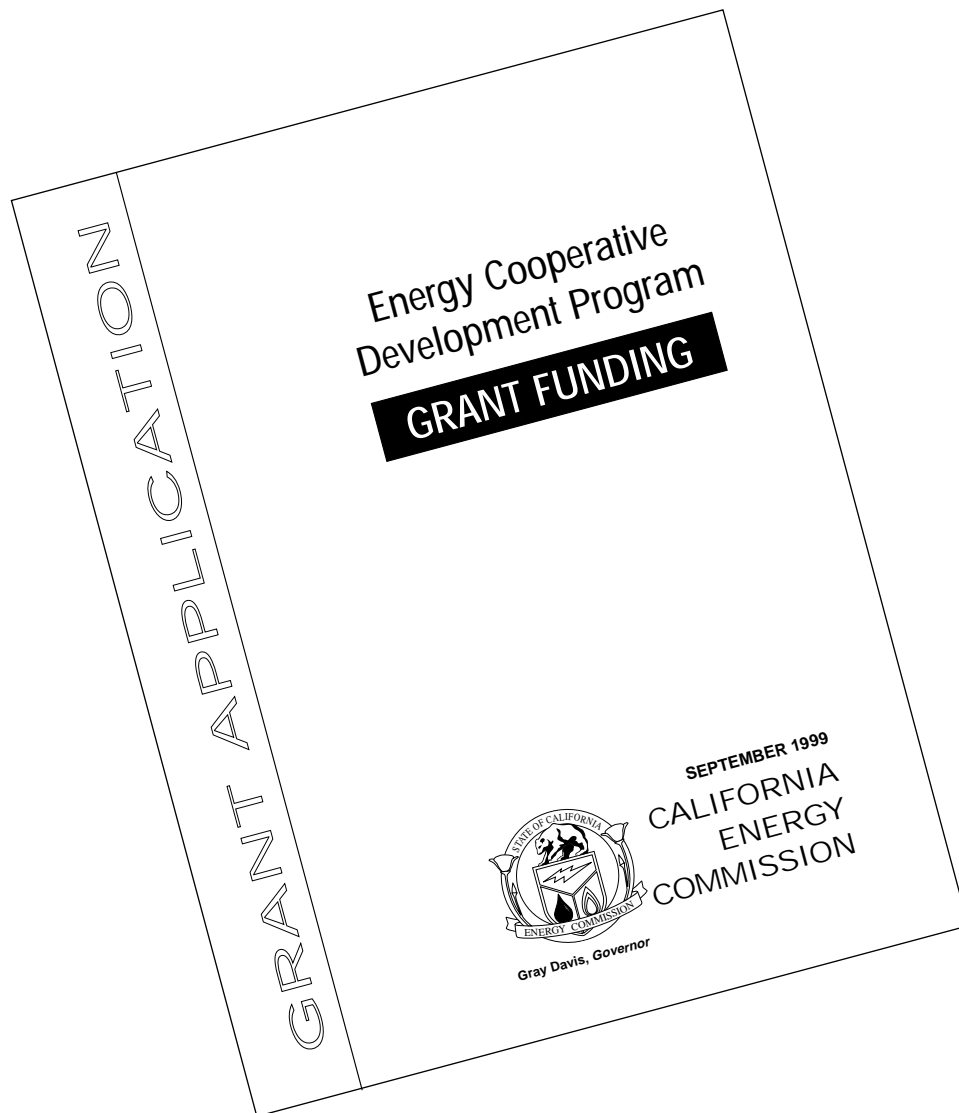
## GRANT FUNDING



SEPTEMBER 1999

**CALIFORNIA  
ENERGY  
COMMISSION**

*Gray Davis, Governor*



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**CALIFORNIA ENERGY COMMISSION**

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# Introduction

**T**his package provides answers to commonly asked questions about the **Energy Cooperative Development Program (ECDP)** and instructions for submitting an application for grant funding. This Grant Application is designed as follows:

**PART I** provides answers to questions about the program and energy cooperatives.

**PART II** includes the application and instructions for requesting grant funding.

## Program Description

The California Energy Commission's **ECDP**, through a grant from the U.S. Department of Energy, has \$95,547 in funding available. The grant money has been designated to provide information and technical support for consumers who would like to evaluate options for securing energy savings and services by aggregating and forming an energy cooperative. This opportunity only became available to consumers as a result of California legislation (AB 1890) that was signed into law in September of 1996. The new statute, for the first time in over 100 years, gives California consumers the choice of purchasing energy directly from an electric service provider (ESP) and the ability to freely negotiate the terms and services provided.

The California Energy Commission staff welcomes your comments and suggestions at any time. If you have any questions or comments about these materials, write, fax or e-mail:

**CALIFORNIA ENERGY COMMISSION**  
Energy Cooperative Development Program  
1516 Ninth Street, MS-20  
Sacramento, California 95814-5512

Tel: (916) 654-4815  
Fax: (916) 654-4559

e-mail: [lkelly@energy.state.ca.us](mailto:lkelly@energy.state.ca.us)

# PART I

## Commonly Asked Questions

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### Energy Cooperative Development Program

The ECDP is a California Energy Commission program established to provide information on consumer aggregations and energy cooperatives. The program targets small urban and rural consumers that, because of their size, pattern of energy use or location, would not naturally be attractive to private energy market sellers or aggregators. Currently, few active sellers and aggregators are offering to provide energy or energy related services to the residential and small business market. The reason is they have not found a cost-effective way to market their products to these consumers. The dilemma is to figure out how to deal with this problem so all California consumers will have access to a wide range of competitive choices to reduce their energy costs.

The ECDP assumes that the sellers' view of aggregation is different from the consumers' view. This program focuses on empowering consumers to organize and aggregate themselves so they can engage the competitive energy market on their own terms.

### Information About Energy Cooperatives

To assist applicants considering applying for an ECDP grant, information about the principles, purpose and organization of an energy cooperative follows.

### Are Rural Electric Cooperatives and Energy Cooperatives the Same?

Energy cooperatives are different from rural electric cooperatives that can be found throughout rural America. Rural electric cooperatives are distribution, and sometimes generation, cooperatives that own and operate the poles and wires that deliver electricity to customers in a specific area.

The energy cooperative is a business entity that is essentially an electric cooperative "without wires." Its members continue to have the power they purchase delivered by their local distribution utility. The energy cooperative provides the aggregation and procurement functions performed by electric cooperatives, but on an affinity basis rather than a geographic basis. This allows an energy cooperative to draw its members from anywhere in the state. Sometimes this type of a cooperative is referred to as an "electric users" cooperative.

### Is an Energy Cooperative a Business?

Cooperatives are incorporated entities of private persons and/or businesses. They have distinctive organization principles and tax treatment under federal and state law.

## How is an Energy Cooperative Different from Other Aggregations?

An energy cooperative, unlike other types of aggregations, is owned by its consumer members. Members organize the cooperative to meet the specific objectives and changing needs of its members. Usually the cooperative operates on a non-profit basis with each member having a vote in the organization's management.

## Energy Cooperative Development Program Grant

### Who Can Apply?

Applicants may be either private entities or public agencies.

Private entities include individuals and organizations engaged in the development of information related to energy services, cooperative development and organization, energy procurement and aggregation. Examples of private organizations include, consumer controlled cooperatives, nonprofit cooperative support foundations and nonprofit university sponsored cooperative programs.

Public agencies include cities, counties, school districts, special districts, universities, colleges and state agencies.

### What Projects Are Eligible For Funding?

- Projects must, through a structured process, initiate or support the evaluation or organization of an energy cooperative. Acquisition of energy savings and services that benefit small commercial, small agricultural and residential California consumers in rural and urban areas must be the focus of project activities.

- Projects must receive a minimum total weighted score of 70 out of 100 maximum points to be ranked and compete for grant funding.
- Projects must be located in California.

### How Much Financial Assistance is Available?

A total of \$95,547 is available for project funding through this solicitation. The maximum award that a project can receive is \$45,000.

The Selection Committee will recommend to the Energy Commission the amount of funding to be awarded to each qualifying application. The Selection Committee may recommend funding, partial funding or no funding of an application. All grant awards are subject to approval by the full Commission at a Business Meeting.

### How and When Will Funds Be Distributed?

After a project application is approved at an Commission Business Meeting, a grant agreement will be developed for the funding recipient to sign. This agreement defines the work to be completed, deliverables, schedule, budget and the rights and obligations of the applicant and the Commission.

Grant funds are paid on a reimbursement basis. The Commission will retain ten (10) percent of any payment request or ten (10) percent of the total grant award until the project has been completed. These retained funds will be released when the ECDP Project Manager is satisfied that the terms of the funding agreement have been fulfilled.

## Can the Grant Funds Be Used to Fund An Existing Project?

Grant funds may **not** be used to take the place of previously budgeted funds for a project.

## What Are The Application, Award, And Project Start Dates?

The schedule for this solicitation is as follows:

## What are the Reporting Requirements?

All funding recipients must submit reimbursement requests, written quarterly progress reports and a final report upon completion of the project. Some projects may require technical reports and other documentation of the success or the actual benefits produced by the project. Funds will be disbursed on a reimbursement basis, and recipients must provide invoices for expenses incurred.

### **ROUND 1**

Grant Application Available ..... September 27, 1999  
Deadline for Questions (Only written, e-mailed  
or faxed questions will be answered)..... October 11, 1999  
Questions and Answers Mailed by ..... October 18, 1999  
Final Applications Due by 5 p.m. .... November 1, 1999  
Commission Approval of Final Ranking..... December 15, 1999  
Agreement to Start Work ..... After approval at  
Energy Commission Business Meeting

***If funds are available for Round 2, notification will be posted on the website.***

### **ROUND 2**

Grant Applications continuously available from  
release date of September 27, 1999.

Deadline for Questions (Only written, e-mailed  
or faxed questions will be answered)..... January 24, 2000  
Questions and Answers Mailed by ..... February 7, 2000  
Final Applications Due by 5 p.m. .... February 28, 2000  
Commission Approval of Final Ranking..... April 19, 2000  
Agreement to Start Work..... After approval at  
Energy Commission Business Meeting

## How Will Confidential Information Be Treated?

**No submittal of confidential information will be accepted.** All applications submitted to the Commission will become public documents once project selections are made. Do not include any confidential information in your application. Any material in an application that is marked confidential will be automatically disregarded and returned to the applicant. The application will then be evaluated without the confidential information.

## What is the Application Review and Award Process?

1. All applicants are invited to deliver an application by 5 p.m. on November 1, 1999. If funds remain, additional proposals will be accepted in a second round. The deadline for this second round submittal is 5 p.m. on February 28, 2000. Multiple projects cannot be proposed in a single application.
2. Each application is first reviewed for completeness. Complete applications will be recorded as received and the review/selection process will continue. Incomplete applications will be returned with a letter of explanation.
3. All applicants must provide resumes of key personnel. Key personnel are those who will perform the workplan tasks and are critical to the success of the project. In addition, the application must include the name and telephone number of at least two references for the Project Manager. An application without the requested references will immediately be deemed incomplete and eliminated from the review process.
4. Completed applications will then be evaluated and scored using the ECDP Grant Selection Criteria chart included in this application. Applicants receiving the minimum 70 percent passing score

will be ranked. Highest ranked proposals will receive Commission grant awards until funds are exhausted.

5. All grant awards must be approved for funding at a Business Meeting by the Commission.
6. Once approved, a grant agreement must be executed between the successful applicant and the Energy Commission. Do not incur any project costs prior to signing your grant agreement as the cost cannot be applied towards the grant funds.

## What Can I Do If My Application Is Rejected Because It Does Not Receive a Minimum Score of 70 Points or More?

If your application was complete but failed the technical minimum score, you will be notified in writing. If your application is rejected in Round 1, you may submit an amended application for consideration in Round 2.

## When Can Project Work Begin?

Generally, project work cannot begin until both the successful applicant and the Commission have signed the grant agreement. If the recipient must begin work prior to signing the grant agreement, the ECDP Project Manager may allow work to begin, but only after the Commission Business Meeting date at which the project was approved. Authorization to begin work prior to grant agreement execution must be given in writing by the ECDP Project Manager and **prior** to the recipient incurring expenditures for which applicant is seeking Commission reimbursement.



## How Do I Apply?

All applications must be submitted and received by 5 p.m. on November 1, 1999, to be considered for Round 1. The Selection Committee will score only those applications that are complete and meet the minimum requirements.

Applications for Round 2, if funds are available, are due by 5 p.m. on February 28, 2000.

When preparing your application, carefully review the procedures and evaluation criteria included in this application. Before mailing your application check the following:

1. Sections A and B of the application are complete.
2. All requested information, including references, are attached to the application.
3. The application package includes a completed, signed original application, plus three (3) copies (a total of four).

Send the application package to:

**California Energy Commission  
Grants and Loans Office  
1516 Ninth Street, MS-1  
Sacramento, California 95814 5512**

**Attention: Energy Coop Grant**

Applications received after the stated deadline, or that do not include all the information and materials described above will be rejected. No faxed or e-mailed copies will be accepted.

## Disclaimer

The Energy Commission reserves the right to do any of the following:

- Cancel this Program Opportunity Notice (PON)
- Modify the PON and/or the Application Form
- Reject any or all applications received in response to the PON.

## Questions

### Who Can I Contact to Answer My Questions?

If you have questions, please write to **Linda Kelly, Project Manager** at:

**California Energy Commission  
1516 Ninth Street, MS-20  
Sacramento, California 95814-5512**

or via FAX to: **(916) 654-4559**

or e-mail at:

[lkelly@energy.state.ca.us](mailto:lkelly@energy.state.ca.us)

Only written, faxed or e-mailed questions received by 5 p.m., October 11, 1999, for Round 1 or 5 p.m., January 24, 2000, for Round 2 will be answered.

### How do I obtain additional copies of the ECDP Grant Application?

Additional copies may be obtained by writing, faxing or e-mailing your request to **Mary Ann Miller** at:

**California Energy Commission  
1516 Ninth Street, MS-20  
Sacramento, California 95814-5512**

or via FAX to: **(916) 654-4559**

or e-mail at:

[mmiller@energy.state.ca.us](mailto:mmiller@energy.state.ca.us)

### Can the Grant Application be Found on the ECDP Web Site?

If you have access to the Internet, you may visit the ECDP Web page at: [www.energy-co-op.net](http://www.energy-co-op.net). On this Web page, you will be able to download the application for this solicitation in a form that will allow you to complete the application on your computer.

## PART II

# Instructions and Application Forms For Requesting Grant Funding

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## General Information

The first portion of this application explains the process for requesting grant funding from the Commission's ECDP and other useful information.

Please familiarize yourself with this information before completing the application. All sections must be completed in full.

All necessary supporting documents must be referenced and appended to the application package. An application without the requested references will immediately be eliminated from the review process. Send one (1) signed original and three (3) copies of your final application (a total of 4) and all supporting documents.

Please review your completed application carefully as the application cannot be changed after the application due dates.

the knowledge, skills and the ability to manage and complete the proposed project.

Applicants must describe how their projects will fully address the issues identified in the scoring criteria.

Proposed projects will be scored on the substance of the response as it relates to each criteria.

## What is the Application Format?

ALL APPLICANTS must complete Sections A and B of the application.

**Section A** asks for a single-page Executive Summary of the proposed project and contact information.

**Section B** provides information related to the selection criteria.

Applicants are encouraged to respond in a concise and clear manner. Include sufficient narrative detail to demonstrate that you have

## How Will the Proposed Project be Scored?

The Selection Committee will evaluate, score and rank each proposal based on the applicant's responses in Section B of the application.

These scoring points will be multiplied by the weighted factor in the selection criteria. The point calculations will reflect the averages of the combined scores of all Selection Committee members.

After the submittal of an application, the Selection Committee may make inquiries to clarify the application.

### Scoring Points

The Selection Committee will award points based on the following considerations.

a. Fail (0 points)

Is not in accordance with the application requirements.

b. Marginally meets minimum requirements (1-3 points)

One to three (1-3) points are awarded to responses considered marginally acceptable.

For example:

- The application states a requirement, but offers no explanation of how or what will be accomplished.
- Information is missing on critical elements of the project.

c. Meets minimum requirements (4-6 points)

Four to six (4-6) points are awarded if the application satisfies the requirements and describes generally how and/or what will be accomplished.

d. Exceeds minimum requirements (7-9 points)

Seven to nine (7-9) points are awarded if the application satisfies the requirements and describes generally how and/or what will be accomplished in an exemplary manner.

e. Exceptional (10 points)

Ten (10) points are awarded if the application exceeds the requirements and describes specifically how and/or what will be accomplished in a superior manner, both quantitatively and qualitatively, using examples of expected results and outcomes.

Projects must receive a minimum total weighted score of 70 out of 100 maximum points to be ranked and compete for grant funding.

## ECDP GRANT SELECTION CRITERIA

The ECDP Selection Committee will use the following selection criteria to rank all Grant applications to determine funding eligibility.

Project Evaluation	Weight Factor (a)	Scoring Points (b)	Weighted Score (a) x (b) = c
<p style="text-align: center;"><b><u>Viability</u></b></p> <p>1) Experience related to cooperative development.</p> <ul style="list-style-type: none"> <li>• Experience in performing work similar to proposed work</li> <li>• Previous success in developing similar projects</li> <li>• Demonstrable ability to execute proposed tasks and complete project on time</li> </ul> <p>(All applicants must provide resumes of key personnel. Key personnel are those who will perform the workplan tasks and are critical to the success of the project. In addition, the application must include the name and telephone number of at least two references for the Project Manager.)</p>	3.0	(0-10)	
<p style="text-align: center;"><b><u>Project Workplan/Budget</u></b></p> <p>1) Need for the project clearly stated and related to the goals of the Energy Cooperative Development Program</p> <p style="text-align: center;">.5</p> <p style="text-align: center;">(0-10)</p> <p>2) Complete and realistic work plan to achieve project objectives</p> <ul style="list-style-type: none"> <li>• Activity plan and implementation schedule</li> <li>• Milestones to demonstrate tangible progress</li> <li>• Clear descriptions of work assignments and responsibilities of all project participants</li> <li>• Appropriateness of work tasks to achieve project goals</li> <li>• Interim and final completion dates</li> <li>• Clearly identified demographics of targeted consumer groups.</li> </ul> <p style="text-align: center;">2.5</p> <p style="text-align: center;">(0-10)</p> <p>3) A detailed budget that is adequate to conduct work and meet project objectives.</p> <p style="text-align: center;">.5</p> <p style="text-align: center;">(0-10)</p> <p>4) Activities of the project directly involve targeted consumers and specifically relate to the initiation, support or evaluation of organizing an energy cooperative.</p> <p style="text-align: center;">2.5</p> <p style="text-align: center;">(0-10)</p>			
<p style="text-align: center;"><b><u>Project Benefits</u></b></p> <p>1) Identify benefits from project (quantify and/or describe).</p> <p style="text-align: center;">1.0</p> <p style="text-align: center;">(0-10)</p>			
<b>Totals</b>	<b>10</b>		

**NOTE:** Projects must receive a minimum total weighted score of 70 out of 100 maximum points to be ranked and compete for grant funding.

# **SECTION A**

## **Grant Summary Form**

**ALL APPLICANTS** must complete **Section A** of the Grant Application.

**Section A** asks for a single-page executive summary and basic contact information to facilitate communications between the ECDP and applicants.

# ENERGY COOPERATIVE DEVELOPMENT PROGRAM GRANT SUMMARY FORM – Section A

For CEC Staff Use Only

Project No.: \_\_\_\_\_

Date Received: \_\_\_\_/\_\_\_\_/\_\_\_\_

This form must be complete before the application can be reviewed.

Application Date: \_\_\_\_\_

Please use additional pages as  
necessary to fill in the blanks.

Project Title: \_\_\_\_\_

Applicant Name: \_\_\_\_\_

Social Security or Federal Employee No.: \_\_\_\_\_

Address, City, State, Zip Code: \_\_\_\_\_

Phone No.: ( ) \_\_\_\_\_

Fax No.: ( ) \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

**Applicant's Type of Organization or Business:**

- ☐ Local Government
 ☐ Limited Partnership
 ☐ Individual
 ☐ Special District  
☐ General Partnership
 ☐ Non-Profit Organization
 ☐ Corporation  
☐ Other \_\_\_\_\_

	Name	Phone No.
<b>Represented Organizations</b> <i>(List name and phone no. of applicant's represented organizations)</i>	1)	
	2)	
	3)	
	4)	

Project Manager		
Name		
Address		
City		
State/Zip Code		
Phone Number	( )	Fax Number ( )
E-Mail Address		

	Authorized Representative *	Contact Person
Name		
Address		
City		
State/Zip Code		
Phone Number	( )	( )
Fax Number	( )	( )
E-Mail Address		

\* Authorized Representative is the person to receive and execute the grant on behalf of the organization.

	Name	Phone No.	Address (If different from applicant)
<b>Key Personnel</b> <i>(List name, phone no. and address if different from applicant)</i>	1)		
	2)		
	3)		
	4)		

Page 1 of 3

**ENERGY COOPERATIVE DEVELOPMENT PROGRAM**  
**GRANT SUMMARY FORM – Section A**      *(Continued)*

**Project Title:** \_\_\_\_\_

**ECDP Funds Requested:** \_\_\_\_\_

**Project Start Date:** \_\_\_\_\_  
(Cannot be prior to the Energy Commission Business Meeting approval of project.)

**Ending Date:** \_\_\_\_\_  
(Cannot be later than December 31, 2001.)

## Executive Summary:

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

### Benefits of the Project:

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**ENERGY COOPERATIVE DEVELOPMENT PROGRAM  
GRANT SUMMARY FORM – Section A** *(Continued)*

**CERTIFICATION**

**To be completed and signed by all applicants.**

I certify to the best of my knowledge that the information contained in this application and supplemental information is correct and complete.

I authorize the California Energy Commission to make any necessary inquiries to verify the information I have presented.

**Name and Title of Authorized Representative:**

**Please Print:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date Signed:** \_\_\_\_\_

Note: For a Public Entity, the authorized representative should be the person designated in their governing body's resolution. For a Private Entity, the authorized representative should be the President, Owner, General Partner or authorized designee (by original signed letter).



**NOTE: Public agencies will be required to submit resolutions from their governing bodies prior to execution of grant agreement.**

**SAMPLE RESOLUTION**

*(For Public Entities Only)*

**WHEREAS**, the California Energy Commission to achieve its energy cooperative development program objectives provides funding to cost-share the establishment of energy cooperative development; and,

**WHEREAS**, (Recipient) is desirous to implement a project with the Energy Commission's Energy Cooperative Development Program grant funding for (Description of Project);

**NOW, THEREFORE, BE IT RESOLVED**, that (Title of Individual) is hereby authorized and empowered to apply for funds and, if recommended for funding, execute in the name of (Recipient) an agreement with the California Energy Commission and all other necessary documents to implement and carry out the purposes of this resolution.

Passed, approved and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

**Signatures and titles of Governing Body Members:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **SECTION B**

### **Grant Application Package**

**ALL APPLICANTS** must complete **Section B** of the Grant Application.

# ENERGY COOPERATIVE DEVELOPMENT PROGRAM APPLICATION PACKAGE – Section B

**ALL APPLICANTS** are to complete Section B of the application. **Pay careful attention to the “What Projects Are Eligible For Funding?” section in the application so you will understand precisely what projects this grant is striving to support.** Section B must contain the following information:

## Viability

1. A description of experience and qualifications related to cooperative development. When describing your experience, please provide details on the following:

- Previous experience in performing work similar to proposed project
- Previous success in developing similar projects
- Demonstrate ability to execute proposed tasks and complete project on time

(All applicants must provide resumes of key personnel. Key personnel are those who will perform the workplan tasks and are critical to the success of the project. In addition, the application must include the name and telephone number of at least two references for the Project Manager.)

## Workplan/Budget Evaluation

1. A description of the need for the project and how it is related to the goals of the Energy Cooperative Development Program
2. A complete and realistic work plan to achieve project objectives. Include the following:
  - Activity plan and implementation schedule
  - Milestones to demonstrate tangible progress
  - Clear descriptions of work assignments and responsibilities of all project participants
  - Interim and final completion dates
  - Clearly identified demographics of targeted consumer groups.
3. A detailed budget that is adequate to conduct work and meet project objectives.
4. The identification of project activities that directly involve targeted consumers and specifically relate to the initiation, support or evaluation of organizing an energy cooperative.

## Project Benefits

1. A description and/or quantification of the benefits from the project